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TEELAND-DOUGLAS INTERTIE UPGRADE PROJECT

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WASILLA SPORTS COMPLEX

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WASILLA, ALASKA

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AUGUST 6, 2008

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P R O C E E D I N G S

(Wasilla, Alaska - 8/6/2008)

(On record)

MR. HALL: Folks, good evening. Ladies and gentlemen, good evening. We're going to go ahead and start this proceeding with Mr. Lou Agi as the presiding.....

MR. AGI: Whatever.

MR. HALL: .....whatever.

MR. AGI: Yeah.

MR. HALL: Welcome, thank you for coming out.

MR. AGI: It is 6:00 o'clock, a little past. We're here on August 6th, 2008, Wasilla Sports Complex. And this is the time and place we've set for holding a public hearing on the Teeland-Douglas Transmission Line Project. The project, as most of you know by now, is the building of a transmission line, an electric transmission line component through a good portion of the borough to be added to the State's Alaska Intertie System to facilitate distribution of electricity, transmission of electricity between the northern and southern parts of the railbelt and going down to Homer. It is, in fact, a State project under the Alaska Energy Authority, or the AEA as you'll hear its initials. But ML&P from Anchorage has certain responsibilities with respect to the southern portion of the intertie and we have been selected to be program project manager for the State on the construction of this project. I'm

1 from ML&P, I'm Louis Agi, and I'll be presiding at this  
2 hearing. And also here from ML&P we have Doug Hall, who is our  
3 project manager, and Ms. Kim Robinson, who is -- actually she's  
4 from us and from the Valley and she functions as sort of  
5 passable control and sensitivity training to make sure we don't  
6 do things too poorly. Here, on behalf of the State tonight we  
7 have the executive director of AEA, Mr. Steve Haagenson, who's  
8 back there and the State's project manager, Mr. Jim Strandberg.

9 Now, we as project manager, ML&P, have contracted with the  
10 engineering firm of Dryden and LaRue with Mr. Del LaRue to my  
11 immediate left to serve as the engineers for this project, and  
12 they will be a strong guide and influence in all that happens.  
13 With Mr. Del LaRue from his office is also Mr. Frank Bettine,  
14 who has had his own experience up in the Valley, and also we  
15 have Mr. Mike Travis from the firm of Travis, Peterson  
16 Environmental Consulting. He'll be doing environmental work as  
17 the project goes along but he's also been helping with the  
18 public involvement process, of which this is one component.

19 We have held under this public involvement process a  
20 number of meetings with community councils, city councils,  
21 public groups coming out of the late spring, early spring, into  
22 the early summer to explain the project as questions, gather  
23 some sense of input and feeling from the people to help us make  
24 choices on route selection and just come to grips with how the  
25 project is going to interface with the Borough. We engage in

1 that public process under a plan that we filed with the Mat-Su  
2 Borough, their planning office. And this will actually be the  
3 last of the public meetings, we've had 12 already, as I add  
4 them up. And this one is a little different than the other  
5 ones we've had, which have been devoted mainly to easy  
6 exchanges, you know, as much as we can answering questions, you  
7 know, telling what we know of the situation as candidly as we  
8 can. And I must tell you we have been very appreciative of the  
9 way we have been at the various meetings. There's been a lot  
10 of kindness extended to us and maybe we didn't always expect it  
11 to be so because this isn't everybody's favorite project to  
12 come to grips with, but, nonetheless, you people have really  
13 been very nice.

14 Now, this meeting tonight is, as the Borough designates,  
15 that it requires that this meeting be held. It's a formal  
16 public hearing to take formal testimony. So really, and we  
17 tell them, in meeting this, that the project team will hold a  
18 formal public hearing and take formal testimony regarding the  
19 proposed route. Prior to taking testimony there will be a  
20 brief presentation of the preliminary decision, which most of  
21 your or a lot of you would know was made, communicated through  
22 a newsletter that we sent out earlier and Mr. Del LaRue, Del  
23 will give you that presentation. And then we're going to  
24 receive what your comments are. If a question comes up, we  
25 will answer it in the course of testimony but basically we're

1 just going to set the stage on this over the preliminary  
2 decision, give the history and then give you the chance to talk  
3 and say what you want to say. Now, it's hard to tell what,  
4 exactly what is meant by a formal public hearing as opposed to  
5 other types of meetings and hearings, but the least is that  
6 we're going to have a court reporter record it so it's there as  
7 a permanent record and not subject to anybody's, you know,  
8 subjective recall of what was and wasn't said. I'll put on a  
9 tie, the first tie I've worn in a long time. But we did draw a  
10 line that nobody's going to have to testify under oath, you  
11 know, you just come up and you talk, an oath is a little too  
12 intimidating, so that's not what we're looking for, we want you  
13 to talk, to have your opportunity.

14 Now, following this hearing, we're going to go and make  
15 our final decision. Our decision is actually a recommendation.  
16 And it'll be a recommendation both as to routing and as to  
17 design for the line.

18 We have told, we, being ML&P, that we will have that  
19 decision by December 1. The world won't open up and fold and  
20 take us all away if we don't make it, but that's the deadline,  
21 we're hoping not only to meet but to beat.

22 Now, in other communications we've also said that there  
23 may be a cut off date for comments after this hearing, in fact,  
24 this may have been the cut off date. That's not necessarily  
25 true. If people have something they want to say, you will have

1 the addresses to contact Mr. LaRue, Travis -- Mike Travis,  
2 where is Mike?

3 MR. TRAVIS: Right here.

4 MR. AGI: Oh, here he is, I keep on looking for Mike. And  
5 you just, you know, give them as they come to you and let us  
6 deal with them. You may or may not make it before we make our  
7 decision but it's there for you to do.

8 Once we make the decision, the decision that we make and  
9 it comes out in something called a decisional document, and  
10 that's by requirement of the planning department under your  
11 ordinance, which will explain what we decided and, you know,  
12 the reasons for doing it and construction timetable and some  
13 other matters, but that decisional document, once it's issued,  
14 it consists ultimately of nothing more than a recommendation to  
15 the State, to the Alaska Energy Authority, over the way we  
16 think the project should go, how it should be put into the  
17 ground. We'll make sure that there is an opportunity before  
18 that decision is made following issuance of our document, the  
19 decisional document, that if you want, you'll have a last  
20 opportunity to comment to the Authority on how you view it, the  
21 merits, effort, whatever, but will have that window of time, it  
22 won't be long, can't be more than 30 days, it may not even be  
23 that long but you will have a window of time to submit your  
24 comments to the final decider, decision-maker, the Energy  
25 Authority, AEA.

1           The decisional document gets filed with the planning  
2 department but we'll do whatever we can to get notice of its  
3 availability out to everyone who's interested, the community.  
4 We may send out individual notices, we really haven't talked  
5 about it, but it'll be an effective means of letting you know a  
6 decisional document has been issued and not only is a copy  
7 available at the Borough it'll be on our web site, or the  
8 State's web site, the AEA's web site so you'll be able to read  
9 it, download it if you want. And if there's any other need for  
10 somebody, that they can't access those means then you'll  
11 contact us and we'll get you a copy of it. It's probably going  
12 to be too lengthy to put out in a mass newsletter type of thing  
13 like we did with the earlier newsletter, although we're  
14 thinking that we probably will have a final newsletter that  
15 will be the medium of communicating notice that the decision's  
16 been made.

17           Having said all of that, when you come up here, you'll  
18 give your testimony, not under oath, you'll give us your name,  
19 your address and there's a sheet there, I think that says the  
20 same thing we have, identify the community or the general  
21 location of your property so we get a little better focus of  
22 where your interest is going to be. And I'll take the other  
23 sign up sheet and I'll pretty much take it and invite you up to  
24 here to speak in the order of the sign up sheet.

25           So at this time why don't we turn it over to Del, Mr.

1 LaRue and let him give a little show about where we are and how  
2 we got here.

3 MR. LARUE: Thank you, Lou. Can you kill those lights  
4 behind you, Mike, please.

5 Okay, as Lou said, the discussion tonight is really about  
6 finishing about what was started back in 1984, the early '80s,  
7 was to build a transmission line to interconnect the railbelt.

8 You going to run that Mike?

9 MR. TRAVIS: Yes, I will do that.

10 MR. LARUE: Okay, go ahead. But before I get into our  
11 particular project, which happens to be right here, I want to  
12 talk a little bit about the railbelt in general. I know some  
13 of you have heard this before but you'll just have to bear with  
14 it, okay.

15 This is the Kenai Peninsula down here, we're up in the  
16 Matanuska Valley right now. This is a diagram of the  
17 electrical transmission lines that are presently here, okay,  
18 and this actually happened before -- this is as it was before  
19 the intertie was built. We had a system down here on the Kenai  
20 including the Matanuska Valley, it's basically what we call  
21 115,000 volts. I'm going to talk a little bit about voltage  
22 tonight and there's no way to do this without that. Our  
23 transmission facilities are built for a specific voltage. They  
24 can be operated at a voltage less than that but there's some  
25 common numbers that you'll hear tonight. And instead of

1 saying, for instance, this line is 115,000 volts, we abbreviate  
2 the thousands and call it KV. So you're going to hear me say  
3 things like a 115 KV line here. The red ones over here going  
4 to Beluga are 230 KV, okay.

5 So before the intertie was built we had an isolated system  
6 down here of mostly 115 KV lines. In the north, Golden Valley  
7 Electric had a 138 KV system, slightly different than the 115  
8 that they had for their facilities up there.

9 Go to the next one please.

10 So in 1985 the State came in and decided to connect the  
11 communities from Healy to Willow. And they did that and built  
12 a line, it's actually built for a much higher voltage than we  
13 use it at. You can think of a higher voltage like it was a  
14 four lane highway, let's say, that you're not using two lanes  
15 in it right now. In other words, this line was built for a  
16 voltage of 345,000 volts, but right now we operate it at  
17 138,000, we're capable of doing that, you just can't go to the  
18 other way. So when the State came in and built this intertie,  
19 this connection, but they stopped at Healy because Golden  
20 Valley already had a line there, they stopped at Willow because  
21 Matanuska Electric already had a line there. But because the  
22 entire Fairbanks system up here was using 138 KV, what we  
23 decided to do was we're trying to get to the substation down  
24 here on Knik-Goose Bay, we call the Teeland Substation, and so  
25 it meant that this last 25 mile piece here, even though it was

1 built for 115,000 volts, we're going to energize it at 138,000  
2 because that's what we really need to get north.

3 Now, that line, I designed that line, and what we're  
4 talking about is a voltage of about 20 percent more than it was  
5 designed for. It was designed the REA, which is a conservative  
6 design and, as such, it cannot operate at a slightly voltage, a  
7 20 percent higher voltage and so that's what we did. So  
8 starting in 1985 we now had a connection that went all the way  
9 from Fairbanks down to the Knik-Goose Bay and essentially tied  
10 in everything. And so for the first time we had the ability to  
11 tie the entire railbelt together.

12 Go ahead, Mike.

13 What we're going to talk about tonight is that last 25  
14 mile piece. And this make starts down here at Teeland  
15 Substation on Knik-Goose Bay and goes up to Willow here.

16 Go to the next one, Mike.

17 If you take all that background off, which makes it  
18 difficult to see, what you'll notice is that we have various  
19 routes to get there. So what happened was in 2002 the  
20 Legislature asked us to how do we get from Knik up to Willow  
21 and basically they gave us an appropriation, and I'll read this  
22 to you: 2002 Legislature concluded that it was time to finish  
23 the intertie and they appropriated \$20.3 million to upgrade,  
24 and this is a quote, upgrade and extend the Anchorage to  
25 Fairbanks power transmission intertie to the Teeland

1 Substation. So basically that's what we're trying to do. How  
2 do we get from Teeland up to Willow -- or Knik up to Willow.  
3 And so they hired us to look at possible routes, which we put  
4 together in this report that was issued in 2004, and in there  
5 we identified four possible ways to get from here to there.  
6 One of them, this purple route, essentially follows the  
7 existing MEA line, the one that MEA built. The red line over  
8 here, we looked at coming up Vine and running along the Alaska  
9 Railroad. We also looked at a route that came out of Teeland  
10 and went up and caught the Parks Highway and followed the Parks  
11 Highway on up. And to make sure that we didn't miss anything,  
12 the green route here, it's what we call the cross-country, we  
13 came out of Teeland and went south before it came across and  
14 then followed the MEA line in essence until it got over south  
15 of the Parks here a little ways and took off on a different  
16 route. So basically we identified four possible ways to get  
17 from Knik to Willow, and they're generally following  
18 longitudinal things that are already there, like the railroad  
19 and the highway and the existing MEA line. The conclusion from  
20 that, which is in this report, and by the way this is on the  
21 web site, was that there were two possible solutions to that or  
22 recommendations. One, was let's follow the existing MEA line,  
23 it's already a corridor, essentially this purple one right  
24 here, it's already a corridor, it already has towers on it, and  
25 let's build ours next to it. The other option in this report

1 was that we could tear down the MEA line and build a new line  
2 in that right-of-way. One of the reasons that was a good  
3 choice was back then the cost of having the intertie out of  
4 commission was not as great as it is today. And what's  
5 happened over the last intervening four years is this intertie  
6 -- back up one or two if you would, Mike, back one more -- the  
7 use of this intertie is such that we really need it to share  
8 everything north and south. And so the cost of having that out  
9 of service has gone up considerably in the last four years. So  
10 the two conclusions that we came up with, or the  
11 recommendations we came up with out of this report, one of them  
12 is no longer appropriate in 2008. In other words, it cost too  
13 much money to have that line out of service. So even though  
14 the report comes up with two recommendations, we're left with  
15 really one, which is, let's go parallel to the MEA line.

16 As Lou said, we've been through several community council  
17 meetings and open houses, go on Mike, and what we're basically  
18 doing is following a guideline that came from the NRECA, the  
19 National Rural Electric Cooperative Association for citing  
20 generation of transmission facilities and this is the flow  
21 chart, if you will, of what's going on, and we're here, we're  
22 taking public testimony on a route, okay.

23 Go ahead, Mike.

24 There you can see a list of some of the public involvement  
25 we've been through. We didn't think it was fair to ask you to

1 help us on the route. In other words, there's four routes, we  
2 came up with this as a solution, following MEA, but we had no  
3 public involvement, and so we're back out here specifically to  
4 talk about the route, where should this new line be built. But  
5 we thought it wasn't fair to do that without giving you some  
6 idea of what it might look like. If you're going to talk about  
7 a route for a transmission line it's only fair to say how's it  
8 going to look. And this is what a 230 KV transmission line  
9 would look like headed north, keeping in mind just like on the  
10 Susitna piece of it, or on the intertie piece, we're going to  
11 build this line for the capabilities of 230 KV, but we don't  
12 have to operate it at that. Right now we can operate it at 138  
13 just like all those green lines work, it matches up with  
14 everything Golden Valley has but it only costs about 20 to 25  
15 percent more to build it for some future load, if that ever  
16 happens. So it's economical to build a tower line for 230 KV  
17 and initially operate it at 138, and that's what we're planning  
18 on doing. This is to show you that this is the existing MEA  
19 line and this is about what it would look like compared to it.  
20 But understand that this is drawn as if we had used the MEA  
21 parallel with our selection of the route. If we were going  
22 down the railroad or the highway or the cross-country this one  
23 wouldn't be here, we'd be building this type of structure on  
24 one of the other routes, okay. We thought it was fair to show  
25 you the comparison and so basically this is the existing MEA

1 and if the selection is to go beside it then it would look  
2 something like this.

3 In dealing with several questions we found out that people  
4 wanted to know what are the options here.

5 And so go to the next one, Mike.

6 So we decided, well, maybe there are other ways to build a  
7 new line. And so we offered this, which is, instead of having  
8 another X tower over here, you could, in fact, build, what we  
9 call a single shaft tower and you would have two circuits on  
10 it. An electrical circuit takes three wires and that's what's  
11 going on here. You could essentially take these that are  
12 horizontal and swap them to vertical and make a circuit right  
13 there and another circuit on the other side. So it's possible  
14 to build this at least two ways. There are other structure  
15 types you could also do, but this is another way to do it. The  
16 advantage to this is that the tower's not as wide, so we can  
17 reduce the amount of right-of-way we'd probably need to take.  
18 However, on the flip side it's taller.

19 Okay, go back one, Mike.

20 As you can see, when you take wires that are horizontal  
21 and make them vertical you have no choice but to make it  
22 taller.

23 So there's at least two ways to do this. And once again  
24 we present it just so that everybody would understand that  
25 there are options here.

1           Go on one more, Mike.

2           The first -- I want you to back up, please, go back to my  
3 map, too far, right there.

4           The first 2,900 feet of Teeland Substation, and it's about  
5 that far, okay, is unique to the entire line, and the reason  
6 it's unique is because not only is MEA in here, but there's an  
7 existing Chugach line too. So just so everybody had an idea of  
8 what that particular small section, we're only talking this  
9 piece right here, okay, might look like, this is what we have,  
10 this is Chugach's existing 230 KV line. We could come in here  
11 and stick in a single shaft tower, if we do so we have no  
12 choice but to take down this wood pole line that's right there  
13 now. In other words I can fit two transmission lines within  
14 this right-of-way, but I can't fit three. So once again for  
15 the first 15 wooden poles, or about 2,900 feet, we're going to  
16 have to build this and take this down. After that, after that  
17 first 2,900 feet, for the rest of the line it can be built at  
18 least one of those two ways that I've shown you, either an X  
19 tower beside an X tower, or a single shaft tower beside the X  
20 tower, okay. Or if another route is selected, of course, it  
21 would be just a tower by itself.

22           So that's kind of the presentation, to give you an idea of  
23 where we are. Once, again, the reason we're here is because we  
24 put together a routing selection study without any public input  
25 and that's what we need, we need to know where the public would

1 like this line to be built. I can tell you thus far, most of  
2 what we've heard is that parallel to the MEA line as opposed to  
3 picking a new route is more popular, okay.

4 MR. AGI: I got to have a set of designated ears in the  
5 back because I don't have the loud speaker so when it looks  
6 like I'm tailing off into the sunset if somebody would take  
7 responsibility, thank you.

8 All right, now, let's get to hearing what you have to say  
9 and I have an abbreviated sign up sheet, people who would like  
10 to talk and I'll just go right down the order that you're here.  
11 At the moment it doesn't seem to be necessary to put real hard  
12 and fast time limits on you, but figure you should try and keep  
13 it within five minutes and have at it. I have a Mr. Purcell.

14 MR. PURCELL: Roger Purcell, Houston City Council. I'm  
15 also president of the Houston Chamber of Commerce.

16 I got a couple concerns here starting off with. I was  
17 looking at your meeting notes and one of the things I noticed  
18 right off the bat is, is the Houston's resolution with Willow  
19 isn't in here. You placed one that says what nice things they  
20 want from Meadow Lakes for you up there in support of it, but  
21 when the two communities that were against the whole thing and  
22 have strongly stated that they're against your double parallel  
23 line by resolutions on two separate occasions and three  
24 separate meetings that I have been at, you failed to put it in  
25 your paperwork here, I'm surprised.

1 MR. AGI: You're talking about the newsletter?

2 MR. PURCELL: No, I'm talking about our resolution that we  
3 passed.

4 MR. AGI: I know, but I'm talking we didn't put it in the  
5 newsletter?

6 MR. PURCELL: Yeah, this one, right here. I just went  
7 through the whole thing. I find the one from Meadow Lakes in  
8 here that supports you but I don't find the one from Houston or  
9 Meadow Lakes [sic] that doesn't support this at all. I'm  
10 really.....

11 MR. AGI: Excuse me a second, just to be sure what we're  
12 dealing with, those are the early comments, right?

13 MR. PURCELL: Actually these are about all the comments  
14 and including the time we handed you the resolution, I was at  
15 that meeting but it's not in here. So I'm a little  
16 disappointed in that. I'm listening to your radio ads, again,  
17 and you're acting like it's -- that there's 100 percent support  
18 of the communities and it's not. Your radio ad is misleading,  
19 okay. The city of Houston and the Willow community is very  
20 against this proposal that you're doing. The double line  
21 proposal is not in the best interest of our community, period,  
22 and it's not, and you're saying it's the cost. Giving up  
23 another 100 feet of right-of-way parallel to an MEA route  
24 condemns through subdivisions, through homes in our community.  
25 It'll be an eyesore. We would like you to sit down with MEA

1 and do one line, no matter what the cost is, because the cost  
2 doesn't affect us. The reason it doesn't affect us is, is this  
3 is being built for Fairbanks so they can get cheap electricity  
4 and you want to come through our community, condemn local  
5 property so you can get cheap electricity to Fairbanks. That  
6 is wrong for us -- to do that to us, period, okay.

7 And I don't see you coming to us and talking to us and  
8 really working the situation through. And I notice that one of  
9 the comments when you were up there, you were talking about  
10 having, you know, what the city of Houston and right-of-ways,  
11 well, you do have to come to the city and get right-of-ways  
12 through the city of Houston. Our council is totally against  
13 this double parallel. And I think it'd be real tough for you  
14 to get that right-of-way through Houston in the routes you're  
15 going right now. I think it's going to be very costly in  
16 court, because I don't think that we will rollover and just let  
17 you build a second powerline through our community when you can  
18 work with MEA and do one powerline in the existing right-of-way  
19 now.

20 And that's what I had to say, thanks.

21 MR. AGI: I believe that you're talking about the  
22 resolution from WACO and the city of Houston?

23 MR. PURCELL: Uh-huh, yeah, it's not in here at all.

24 MR. AGI: Now, as far as I know -- I'm really not familiar  
25 with this particular document, I know it's a summary of all

1 comments, but the resolution, as far as I know was only passed  
2 Monday.

3 MR. PURCELL: We had a resolution passed -- the night you  
4 were there, we gave you one that we passed that night.

5 MR. AGI: Okay.

6 MR. PURCELL: And we gave you a copy of it at that  
7 meeting. I did hand you a copy on the way out.

8 MR. AGI: As far as we knew from the meeting of summaries  
9 that.....

10 MR. PURCELL: We had a second one after that point.

11 MR. AGI: I'm going to take responsibility then.

12 MR. PURCELL: Okay.

13 MR. AGI: Because we kept out of the newsletter, which was  
14 tracking the comments that we had at the time it went out to  
15 the people reference to the position of the city of Houston or  
16 Willow because we understood that it was being reconsidered  
17 and, therefore, we did not put it in. I think we said that in  
18 our documents.

19 MR. PURCELL: Yeah, this is your meeting notes of the  
20 Douglas Trans -- public comments and public meetings line that  
21 was given tonight. This document right here.

22 MR. AGI: I understand what you were given tonight.

23 MR. PURCELL: And I see the one from Meadow Lakes in here  
24 but I don't see the Houston one in here.

25 MR. AGI: If the city of Houston and Willow area civic

1 organization are still considering a joint resolution  
2 concerning the project, no position from these parties is  
3 available to incorporate in this newsletter. And that's where  
4 we thought it was and that was only with this last meeting, but  
5 it doesn't.....

6 MR. PURCELL: No, sir.....

7 MR. AGI: .....I'm just saying.....

8 MR. PURCELL: Okay. Sir, you were -- it was very clear at  
9 all the meetings in Houston and Willow that our communities,  
10 which is the majority of the land that you're going to be going  
11 through on this route was very against this parallel line. It  
12 has been stated publicly in resolution form, not just one  
13 resolution, but two resolutions have passed totally against  
14 this. And, again, like I'm coming here tonight, and listening  
15 to your conversation and listening to your radio ads you are  
16 misleading the public, you're misleading the community when you  
17 advertise that the public is in favor of the parallel double  
18 line because it's not in those resolution, and that proved that  
19 the two communities are not and that is the largest land mass  
20 that you're coming through. And I would ask that you at least  
21 be truthful with the public when you advertise on the radio and  
22 not be deceptive.

23 Thank you.

24 MR. AGI: And I'll just say one more thing. We have now  
25 have it in the record, it was supposed to be presented, we

1 thought, from the meeting of Monday, that we would have it  
2 presented at the hearing so it is -- I have a copy of it,  
3 consider it, you know, in the hearing, we have this sentiment.  
4 Do you want to talk a little bit to this Del.

5 MR. LARUE: What we were after with this involvement was  
6 to figure out what route to select. So, and like, you say you  
7 are against the purple route, if you will, that I have up here?

8 MR. PURCELL: No, we are not against the purple route, we  
9 are against the second parallel line, in which case, even in  
10 your advertising you actually, in one portion, talk about the  
11 double line coming through. There is no -- for us, there's  
12 already an existing right-of-way coming through of 100 feet,  
13 you do not need to condemn another 100 feet or build a second  
14 parallel line all the way through. It's cost and you said it  
15 tonight, you don't want to spend the money to put one line in  
16 in the existing area, you say it's too costly. For us, in our  
17 communities, we don't care if it's going to cost you more  
18 because it doesn't benefit us when you're going to be saving  
19 Fairbanks, what, is it, \$8 million electrical bill by putting  
20 this line in, it saves Fairbanks lots of money, it doesn't save  
21 us anything. When you come through our new subdivisions and  
22 you condemn eight lots because you're maybe going to get an  
23 extra 100 feet through there like Butch Moore's new subdivision  
24 and we can't sell eight lots, our community loses eight new  
25 homes that will have tax revenue coming through. That's just

1 one subdivision that you're coming through, that's just now  
2 been plotted and put through. He originally put the plot  
3 through because it had 100 foot right-of-way, or 50 feet, one  
4 on each of two lots parallel going down so that they could  
5 build a home on there and still have a right-of-way coming  
6 through. Your new line comes right through and condemns the  
7 lots because you add an extra 100 feet. Now, those lots next  
8 to the roadway coming through are no longer sellable or can be  
9 built on because they'll be actually built right underneath  
10 your powerlines and we know that can't happen.

11 So, again, you're asking us to give up a lot for our  
12 communities to help subsidize Fairbank's electric needs and you  
13 don't have to do that, you can work with MEA. You can put a  
14 single tower in the existing right-of-way all the way through,  
15 you just don't want to spend the money. Well, if you're saving  
16 \$8 million a year to Fairbanks, you can get the extra money to  
17 come back and build it correctly and that is with a single pole  
18 all the way through our communities.

19 MR. AGI: I have -- and I don't mean to target you, sir,  
20 but maybe we'll come to some more of this later, and make sure  
21 everybody else speaks. But there are different elements  
22 involved in the decision-making process that could allow a  
23 single facility hosting both lines. You're correct to say that  
24 it requires cooperation from MEA. You know we've had a meeting  
25 with MEA on the 28th, correct?

1 MR. PURCELL: I understand you've been meeting, yes.

2 MR. AGI: It would take a decision by MEA to both join  
3 with us on a single facility and give up the other portion of  
4 the right-of-way to make the concept that you like sail. Is  
5 that understood.

6 MR. PURCELL: Well, you just need to work together.

7 MR. AGI: No, I'm not saying -- okay.

8 MR. PURCELL: I'm understanding for years and years all  
9 these utilities have had a conflict and they've kind of not  
10 been able to work together with. You guys, though, do it, when  
11 you went on the line going from Anchorage out to the Butte, now  
12 you were able to work together and do that, why not -- I mean  
13 you did it once, let's do it again. I mean you guys cooperated  
14 and worked out the deal then.

15 MR. AGI: Is that the Eklutna line?

16 MR. PURCELL: Yeah.

17 MR. AGI: Where we had a forced marriage of joint  
18 ownership.

19 MR. PURCELL: You guys did it then you can do it again.  
20 You guys, you know, play nice in the sandbox.....

21 MR. AGI: And MEA sued us, MEA sued ML&P.

22 MR. PURCELL: .....and you guys can work out the details  
23 and put it all the way through. It's going to be a challenge  
24 to get through Houston with this line.

25 MR. AGI: Okay, that's fine.

1 MR. PURCELL: As a council member, knowing it, and knowing  
2 you have to get your permits through our community, we're not  
3 going to roll over and just let you walk through our town and  
4 put this through. So when you want to talk about costs and  
5 delays, at this point, with our council the way it is, you're  
6 not going to get through our community by doing this.

7 MR. AGI: I don't think delays have been involved in the  
8 cost, I don't think that's really that much of an element.  
9 It's a question of can the necessary alignment of the stars  
10 occur.

11 MR. PURCELL: Sir, I heard tonight, the comment right over  
12 here that it was the cost, it was the cost of why we couldn't  
13 do it, and I heard that tonight again.

14 MR. HALL: I think you misunderstood Mr. LaRue's comment,  
15 Roger. The fact of the matter is we, the project team, AEA, as  
16 the owner of this project, have virtually have no right, have  
17 no ability to force MEA on to a new tower and give up an asset  
18 that you, as owners of MEA have. MEA owns the existing X tower  
19 and owns the existing right-of-way and, we, the project  
20 management, project team, the state of Alaska, doesn't have the  
21 ability to say you must tear that down.

22 MR. PURCELL: Well, I totally understand that.

23 MR. HALL: That is a decision that has to be made by MEA  
24 and its board of directors, not this group of people. We were  
25 hired by the state of Alaska to come up with a route selection

1 to finish the construction of the Alaska Intertie.

2 MR. PURCELL: Well, then possibly maybe when you started  
3 doing this, you should have contacted MEA and sat down and did  
4 a joint venture to put it through from the very beginning and  
5 then presented it to our community and worked out the details  
6 ahead of time.

7 MR. HALL: We have tried to do that. And, again, it's not  
8 up to this team or the state of Alaska to decide to determine  
9 the fate of MEA's existing assets.

10 MR. PURCELL: Totally under.....

11 MR. HALL: And it is an MEA asset.

12 MR. PURCELL: You are absolutely correct, we understand  
13 that.

14 MR. HALL: And they may want that for the future.

15 MR. PURCELL: Well, we totally understand that. But it is  
16 also not in our best interest of our community to condemn 100  
17 feet by 22 miles of right-of-way through our community and our  
18 homes and our subdivisions so Fairbanks can get subsidized  
19 electricity. It's not in our best interest, it's not in  
20 Willow's best interest. And therefore we need to come with a  
21 compromise to work this out. Your compromise that you want to  
22 put through here is unacceptable. Okay, it's unacceptable to  
23 the community and we're letting you know that now. So you need  
24 to go back to the drawing board, sit down with the cities and  
25 sit down with MEA and work this thing through before it gets

1 much further because you're wasting the State's money at this  
2 point because it's going to come to a big battle when you hit  
3 the city limits of Houston.

4 MR. AGI: Your testimony is in, received, appreciated.  
5 And because of what you heard us say, you realize that this  
6 project is not the only input for community involvement and  
7 decisions that will affect the project.

8 MR. PURCELL: Yes, sir, I totally understand that. Thank  
9 you.

10 MR. AGI: Thanks a lot.

11 MS. OXLEY: Vern let me come ahead. My name is Linda  
12 Oxley and I'm chair of the Willow area community organization  
13 and I live south of the proposed area in Willow, just south of  
14 it. So I have official comments and then I have just a few  
15 personal comments. And this is.....

16 MR. PURCELL: Council member Purcell.

17 MS. OXLEY: Right. So we do have tonight to present to  
18 you the document that we were talking about, and I would like  
19 to read it on our behalf into the record.

20 A resolution of the council for the city of Houston,  
21 Alaska and the Willow Area Community Organization to jointly  
22 propose a utility corridor for ML&P from the Teeland Substation  
23 in Wasilla to the Douglas Substation in Willow;

24 Whereas, the council for the city of Houston and the  
25 Willow Area Community Organization support the goal of

1 stabilizing and increasing the ability of Fairbanks to receive  
2 subsidized electrical power; and

3       Whereas, we acknowledge the need for all Alaskan  
4 communities to tolerate the growth and needs of the neighboring  
5 communities as long as that growth includes respect for the  
6 impacts on all involved communities; and

7       Whereas, we recognize that the section of electrical line  
8 between Teeland and Douglas Substations has the least amount of  
9 carrying power of the entire system and that an upgrade to  
10 match the rest of the line's capacity's desire may be needed at  
11 some time in the future; and

12       Whereas, we recognize that it is in the State's best  
13 interest to accomplish the building of the improved line at  
14 current prices, and that partial funding as have been allocated  
15 by the State for this project; and

16       Whereas, full funding for the project is not secure at  
17 this time but may be secured in the future; and

18       Whereas, we recognize and desire that MEA will remain our  
19 local electricity provider and that MEA has provided portage  
20 for ML&P's electricity for the past 20 years and will continue  
21 that portage for the foreseeable future; and

22       Whereas, we acknowledge that the spacing between poles  
23 will need to decrease from 1,000 feet apart to 600 feet apart,  
24 which may help with the current snowloading problems; and

25       Whereas, we strongly encourage ML&P's cooperation with MEA

1 in providing drop-off points north of Willow, and MEA will  
2 cooperate in placing the new poles between Teeland and Willow;  
3 and

4       Whereas, we encourage the State to also support the growth  
5 needs of the local communities to receive electricity from MEA  
6 as the State supports other electrical utilities; and

7       Whereas, this particular project would have a significant  
8 negative impact on residents and property owners where a double  
9 line would lie within private property;

10       Therefore, be it resolved, by the City Council of Houston  
11 Alaska and Willow Area Community Organization; that

12       We, hereby, jointly resolve that Municipal Light and  
13 Power, ML&P and Matanuska Electric Association, MEA, with the  
14 support of the Alaska Energy Authority, AEA, design and build a  
15 new electric line from Teeland to Douglas Substations on a  
16 single set of poles be placed wherein ML&P and MEA manage to  
17 perpetuity the power each on one side of the poles and that the  
18 route shall follow the existing MEA utility easement.

19       Passed and approved by a duly constituted quorum of the  
20 city of Houston -- of the City Council for the city of Houston,  
21 Alaska on the 24th day of July signed by Sandra McDonald,  
22 Mayor.

23       Passed and approved by a duly constituted quorum of the  
24 community of the Willow Area Community Organization in Willow,  
25 Alaska on the 4th of August 2008, signed by myself as chair.

1 Duly authenticated by the city of Houston who has a stiffer way  
2 of managing.

3 MR. AGI: Would you present it to Madame Clerk.

4 MS. OXLEY: Yeah, absolutely, and that is for your copy.

5 MR. AGI: Yeah.

6 MS. OXLEY: Feel free to make any copies you need.

7 MR. AGI: I understood that was going to be presented.

8 MS. OXLEY: Right. And so I'm sorry about the timing of  
9 it. Houston's been way ahead of us and they've approved it  
10 twice and we've now approved it.

11 Thank you.

12 MR. AGI: And I'll apologize to you as I did to Mr.  
13 Purcell, at least in the newsletter I took out any reference to  
14 the joint position just because it was under evaluation, not  
15 intending to shut it down or not to recognize it when it came  
16 in. On these comments I pleaded -- yeah, I looked at the  
17 minutes of the meetings, you know, but you're making your  
18 point. Now, let me ask you a silly question if I may.

19 MS. OXLEY: Yes.

20 MR. AGI: And not to be a devil's advocate.....

21 MS. OXLEY: I'm in my official hat still so.....

22 MR. AGI: That's the one that will kill me. If we can't  
23 get a single pole dual circuit situation and a close down of  
24 the other easement, you want this thing to go somewhere other  
25 than the parallel?

1 MR. PURCELL: If you cannot go in there then don't bring  
2 it through the city of Houston.

3 MR. AGI: Okay.

4 MS. OXLEY: The community of Willow is unincorporated and  
5 as such we are -- we don't have the same power that the city of  
6 Houston has. I will presume that work can be done over the  
7 next few months to have a cooperative relationship between all  
8 the players and that a way can be found to make this a win/win  
9 for every party.

10 MR. AGI: Personal opinion, I thought I good start was  
11 made on the 28th but we've had starts before and before the  
12 project got off the ground we've had - (microphone  
13 interruption) my fault, I was speaking to the witness directly  
14 and that was inappropriate (microphone feedback) what I was  
15 asking Ms. Oxley, if it came down to it, if we could not  
16 secure, if the project could not secure a single pole, dual  
17 circuit one easement situation, would you rather that this  
18 facility to the extent that goes -- or might otherwise go  
19 through your communities through the parallel route, go  
20 elsewhere.

21 MS. OXLEY: And, again, my response is, we're  
22 unincorporated and don't have the power that Houston has.

23 MR. AGI: I didn't ask power, I'm asking preference.

24 MS. OXLEY: And in terms of preference, as chair, I do not  
25 have authorization from our community to speak to that

1 particular issue.

2 MR. AGI: Okay.

3 MS. OXLEY: So.....

4 MR. PURCELL: If I could say one thing, you keep asking is  
5 our intent, well, we get -- Houston -- does the -- the city of  
6 Houston doesn't benefit by this powerline. We already have our  
7 local power facility. We already have -- if the power goes  
8 out, we already get the kickback now, you're not putting  
9 anything in new that's going to help our city. But you're  
10 asking us, as a community, to give up hundreds and hundreds,  
11 even thousands acres of land on this project so that Fairbanks  
12 can get cheap electricity. What we're saying is Fairbanks does  
13 need help, don't get me wrong, I saw their energy problems and  
14 stuff like that, but putting it through the existing line and  
15 working, you can do this if you guys really put your mind to  
16 it. Going into a fact of defeatist attitude from the very  
17 beginning, saying, well, if we can't, we can't, that's not a  
18 doable situation, you know, you sweat it out, you sit down. I  
19 had union negotiation meetings when I was the negotiator for  
20 the government, our employees, the same thing, you know, we  
21 went in there, and at the beginning there was so much, but  
22 eventually we came to a compromise and we worked it out, you  
23 guys could do the same thing, I got confidence in you. MEA is  
24 not a bad guy like everybody keeps talking about, I'm hearing  
25 from this. You guys aren't bad guys either for doing this.

1 You guys can sit down and come to a conclusion all the way  
2 through and that's what we want you to do.

3 Our stance is stern right now for the fact that we want  
4 you to understand how serious our community is of saying, look,  
5 if you guys can't be nice and play in the sandbox and work this  
6 out then it's going to be a challenge even more so working it  
7 through our community because we're not going to give up land.  
8 My constituents that put me on that council do not want their  
9 land condemned and not be able to build houses. I do not want  
10 to see tax revenue left for our community, we don't get that  
11 tax revenue as it is just so you guys can put a new line in to  
12 help Fairbanks, okay.

13 MR. AGI: All right. That's appreciated. The stern  
14 presentation is duly noted.

15 MR. PURCELL: Thank you.

16 MR. AGI: Just exploring options doesn't mean that we are  
17 not looking, you know, don't ever assume that. Okay, thank  
18 you.

19 MR. PURCELL: Thank you.

20 MS. OXLEY: Well, I have still.....

21 MR. AGI: And it's been very nice meeting you.

22 MS. OXLEY: .....some personal.....

23 MR. AGI: More.

24 MS. OXLEY: I, Linda Oxley, who simply live in the area do  
25 have three personal points to share and I'll be fast.

1           Personally, I strongly encourage the continued cooperation  
2 between and among all the key players here involved and I was  
3 very pleased to see the two boards meeting, MEA and ML&P on the  
4 28th to begin to talk this through. I was very pleased to see  
5 that.

6           Second, I am an MEA co-op member and I am an MEA rate  
7 payer and I really encourage everybody to listen hard to the  
8 concerns that MEA thinks they have about this issue and to do  
9 due diligence on what they say are problems and address them  
10 seriously. I need to know that's going to happen as a rate  
11 payer and a co-op member.

12          And, lastly, I think Golden Valley needs to become a more  
13 active participant in this process and specifically I request  
14 that they offer, then follow through to provide power south  
15 during the process of pulling up the old poles and installing  
16 the new. I believe some good estimates of cost are possible  
17 and that these should be included in the State's funding as  
18 construction and start up funds. And as I've said before but  
19 I'll say officially, at the very least, this is a good  
20 opportunity to test, so when the earthquake does take out the  
21 power in the south part of the state, they can step to the  
22 plate and actually provide it for the duration of repairs. And  
23 they have long-term been subsidized, this is in large measure  
24 to continue that subsidation and I'd like to see them step up  
25 to the plate.

1 Thank you very much.

2 MR. AGI: One moment. Mr. LaRue, there was some sense of  
3 power going both ways, not just.....

4 MR. LARUE: Power does go both ways, okay.

5 MS. OXLEY: The budgeted amounts for 2009 are almost  
6 300,000 versus 200-some.

7 MR. LARUE: But there's more than that, okay, what happens  
8 is that Chugach and ML&P sells power to Golden Valley.....

9 MS. OXLEY: Uh-huh. (Affirmative)

10 MR. LARUE: .....and we all benefit from that, okay, they  
11 also have spinning reserves that they share, okay. So the fact  
12 that the railbelt is now tied together, okay, provides benefits  
13 for everybody so it's not a complete subsidy for Golden Valley  
14 and nobody else gets anything out of it.

15 MR. AGI: No.

16 MS. OXLEY: They get the most. They get the most.

17 MR. AGI: But let me add on top of that, it doesn't  
18 matter, the main point is not whether Golden Valley is the  
19 heavy beneficiary or the exclusive beneficiary. Mr. Purcell's  
20 point is better taken in its larger sense, there's no reason,  
21 as you can see it, why things should be made better elsewhere  
22 at the expense of pain local.

23 MS. OXLEY: That's right. That's exactly right.

24 MR. AGI: Okay.

25 MS. OXLEY: That's exactly right.

1           MR. HALL: Lou. Definitely we wanted to clear up a  
2 misconception that -- or an impression that may have been given  
3 here. For the last three years 2004, 2005, 2006, I don't have  
4 2007 -- or excuse me, five, six and seven data, Chugach  
5 Electric has received in excess of \$8 million in margins from  
6 the sale of energy north, okay, and these are numbers that  
7 anybody can go into the filings of the RCA and look up. MEA's  
8 direct number of that \$8 million that they receive which flow  
9 directly to the consumers, it does not go anywhere but through  
10 the utility, the utility is simply a conduit to flowing back in  
11 on each and everybody's bill was somewhere in the neighborhood  
12 of about \$750,000, and that is a direct benefit. In essence,  
13 Chugach selling energy to Golden Valley for a profit, that  
14 profit flows directly back through to Chugach's customers, of  
15 which MEA is the largest, and they do receive that money on  
16 their bill every month on, I believe, it's a quarterly delay,  
17 when they file with the Regulatory Commission of Alaska. So  
18 there is a direct cash benefit to all MEA rate payers just like  
19 they're all CEA retail customers and HEA because they are also  
20 a wholesale purchaser of Chugach's energy so every time that  
21 happens, energy flows north. And as Mr. LaRue pointed out  
22 having the connection between Anchorage and Fairbanks reduces  
23 the cost of reliability, reduces the cost of what we call  
24 spinning reserve because we are tied to Fairbanks, ML&P and  
25 Chugach both have smaller amounts of spinning reserve that we

1 have to keep on the grid and carry. If Golden Valley is not  
2 present on the grid our costs of power and generation goes up,  
3 it's that simple.

4 MS. WELLS: With all due respect this is a public hearing  
5 and so how about you just hear from the public and then maybe  
6 you can take notes and then respond to the public rather than  
7 you guys are commenting more than the public.

8 MR. AGI: We apologize. In defense we thought people  
9 still expect to see.....

10 MS. WELLS: It's typically, at public hearings, you don't  
11 have a back and forth unless you want to ask them a question,  
12 you know, I just.....

13 MS. OXLEY: Thank you for the clarification and I have  
14 wondered about the money and I'll figure out how much it is by  
15 how many people live in MEA per year. I still want Golden  
16 Valley to provide power and have the money come from the State  
17 to make that happen.

18 Thank you very much.

19 MR. AGI: I apologize you were ahead of Linda.

20 MS. OXLEY: Yeah, he let me come because Roger was.....

21 MR. AGI: I thought you said Roger let you ahead, okay.

22 MR. HALTER: Yeah, I was out of order there, I let Linda  
23 go first because she's chair person for Willow Community. Vern  
24 Halter, Box 389 Willow, Alaska.

25 And I did write a letter to Mr. Travis and Mr. LaRue

1 recently about this project. I think my sentiments are very  
2 clear in the letter and I would ask that they be made part of  
3 the public record and I don't plan on rereading it, it's quite  
4 lengthy, it's in the public comments.

5         And so I guess I appreciate energy going north to Golden  
6 Valley, I don't really have a problem with it. The community,  
7 I think, Roger Purcell, said it quite clear. And I think the  
8 first meeting we had with you gentlemen was way back in Houston  
9 many, many months ago where the city of Houston council was  
10 present, Linda Oxley was present, chair person of Willow, I was  
11 present, I'm on the planning commission for the Borough  
12 representing District 7, which is Willow, Meadow Lakes, Big  
13 Lake, Trapper Creek, Talkeetna, that whole valley and I think  
14 Roger summed it up very clearly, we said that the MEA route was  
15 okay when you vis-a-vis, you like the Parks Highway or the  
16 railroad route. But we made it very, very clear first time, in  
17 person, face to face, to all you gentlemen that we did not care  
18 for a double parallel corridor, two sets of poles, we still  
19 don't. We want one set of poles. Old poles come down going  
20 through our communities, we think that's fair. Now, Golden  
21 Valley does get a big benefit here, we may get a little bit of  
22 a benefit.

23         I originally thought MEA was not being cooperative, I've  
24 totally changed my mind. I think you people are kind of  
25 pushing them around myself. And I wish something would happen,

1 so that that company and the consumers of the Valley get a  
2 benefit out of it. These drop-off points north of us,  
3 everything that people talk about, I hope they're improved, I  
4 hope MEA's system's improved with this new line. I hope Golden  
5 Valley gets their electricity just like they want with this new  
6 line. One single pole, maybe taller. And, you know,  
7 sometimes, and I was pretty critical in the letter about GVA,  
8 you know, that Healy coal plant is just a mess. Them and  
9 Usibelli pushed that thing, and now there's a big lawsuit,  
10 second lawsuit, \$167 million in damages. Now, GVA's getting  
11 cheap energy bypassing it, why would they ever stand up for the  
12 responsibility to settle that lawsuit, you know, something's  
13 really a mess here, I think. And I just appreciate it that  
14 AEA, AIDEA and the State start representing all of us people,  
15 and especially the Valley people, because I think MEA is  
16 getting pushed around here.

17 And, you know, I brought this new railbelt study, it's a  
18 big one. We've got 20 days to comment on this, so this is a  
19 draft. I don't think hardly anybody knows much about it. I  
20 mean I start reading it and it totally gets me. And I'm not a  
21 practicing lawyer but I did go to law school, it just -- you  
22 know, this is kind of an overwhelming thing. I think this  
23 project is the cart before the horse myself. We don't know  
24 where the generation plants are coming from, yet, last night I  
25 don't think they funded like any more money for the lake

1 project that I know of. Houston coal plant's a mess. I don't  
2 know what MEA's plans are, Chugach's plans are for generation  
3 but I think we ought to know that. I grew up in South Dakota,  
4 we got hydro projects, big ones, we build the project and then  
5 you put the lines in. This seems like it's a little bit  
6 backwards to me. I don't know, I'm just a South Dakota farm  
7 boy but something's a mess here.

8 And so I'd like to submit my letter and say thank you.

9 MR. AGI: Heidi Jenkins, Willow. If you would give your  
10 name.

11 MS. JENKINS: Hello. I'm Heidi Jenkins from Willow. Can  
12 I pretty much read my comments that I.....

13 MR. AGI: Sure.

14 MS. JENKINS: .....did? Okay. I'm a property owner next  
15 to the powerline and also I run a small business for cabin  
16 rentals and dogsled tours, so that's some of where the concerns  
17 come from.

18 Dear Sirs: I am the owner of the above-mentioned  
19 properties like each property 218N04W12, C009 and C010 and  
20 there is a right-of-way for North Aw-Saw Lane. So I'm the  
21 owner of mentioned properties and do have right-of-way also for  
22 North Aw-Saw Lane.

23 The existing MEA transmission line crosses the creek, the  
24 Parks Highway and my driveway. The line is heading north  
25 parallel to the section and my property lines. Right across of

1 the beginning of Lot C009 starting out in a triangle shape,  
2 there is a power pole already really close to the driveway and  
3 more importantly to my two rental cabins. There is not enough  
4 space to build a second line on the east side. I recommend  
5 that you do not just look at this situation on a map, but in  
6 the field.

7 Because of visual and environmental impacts I am concerned  
8 and oppose the MEA parallel line with two sets of poles. I do  
9 support the resolution of the city of Houston and the Willow  
10 Area Civil Organization for a jointly used single set of poles  
11 transmission line with the existing MEA corridor and easement.

12 Since there will be a shorter distance between poles and,  
13 therefore, more poles, I wish and hope that I will not have to  
14 look straight at a new pole looking out of my living room  
15 window.

16 Assuming that you are aware of the existing Haessler-  
17 Norris trail system, which has been used for a long time by a  
18 lot of dog mushers and for other recreational activities, I  
19 would like to point out that there are numerous trail crossings  
20 and intersections within the corridor that should not get  
21 jeopardized.

22 Also the heavy equipment operating during construction  
23 will have quite an impact on the wet ground, making deep ruts  
24 in or along the trails and I am questioning if such damages  
25 will be fixed and the ground restored.

1 I manage a small business with cabin rentals and dog sled  
2 tours in the winter and some of the tenants and tourists had  
3 sometimes already mentioned concerns because of the existing  
4 intertie.

5 The tourists and I rather enjoy the wilderness and  
6 beautiful scenery. One new single transmission line causes  
7 enough impact and is plenty to look at.

8 MR. AGI: Thank you. Del, did you want to talk to the  
9 ground damage question?

10 MR. LARUE: Anything that happens during construction, we  
11 usually take pictures of the facilities, any ground around  
12 there before we go in and if anything does happen it's repaired  
13 and put back like it was.

14 MS. JENKINS: Yeah, because it actually happened before  
15 like when MEA did some work out there along the powerline with  
16 heavy equipment, you know, there was really big and wide deep  
17 ruts out there and it's wet ground, and also these deep ruts  
18 always fill in with water and even in the winter it was, you  
19 know, it didn't want to freeze up and so it was tough to manage  
20 to put the trail in where it used to be.

21 But also I'm really concerned about the situation, you  
22 know, if it's a single line it would still work but it's still  
23 close where my property starts out and the line is right over  
24 here and I have cabins here and the line goes right along my  
25 property line there. So it's real close to the driveway and

1 the cabins, you pretty much would, I think, set your second  
2 pole almost onto my cabins there.

3 MR. AGI: Thank you. That's all I have on the sign up  
4 sheet. Are there others who would like to come forward. I now  
5 have for the record.....

6 MR. BABCOCK: Tuckerman Babcock, assistant general manager  
7 of Matanuska Electric Association. MEA has some observations.  
8 It certainly appreciates listening to the MEA members who have  
9 spoken.

10 We've listened to everything the Alaska Energy Authorities  
11 had to say on this project. We've listened to Dryden and  
12 LaRue. We've listened to ML&P's advocacy as a contractor for  
13 the Alaska Energy Authority.

14 What disturbs us is some of this history. This project  
15 was funded in 2002 by a grant from the Alaska Legislature that  
16 totals 20.3 million. It was a grant to the AIDEA AEA and they  
17 performed no study to justify that grant. There was no study  
18 done. 2002 was the year of the Legislature handing out a lot  
19 of grants without any studies. That's how it started, six  
20 years ago. Now, we have in the meantime, in 2003, 2004, Dryden  
21 and LaRue was hired by AIDEA AEA to assess potential routes and  
22 that's the document you have presented by Mr. LaRue that,  
23 without public comment review -- well, this is the only -- this  
24 is all we're going to consider, these routes. Three years went  
25 by, no further work of any significance was done and then in

1 September of 2007 AIDEA AEA signs a contract with the Anchorage  
2 Municipal Light and Power to review, design and build this  
3 project and they subsequently hired Dryden and LaRue and Mr.  
4 Travis' firm. A few months later, in April 2008, or at the end  
5 of session, if I have the month wrong, the Alaska Legislature  
6 stripped the entire construction budget \$10 million out of this  
7 project. During that process there were fervent objections  
8 from the Alaska Energy Authority. They predicted the project  
9 could not be built if that money were taken. There was no  
10 money left to reappropriate. The Legislature listened and took  
11 the money away from this project. There was no letter of  
12 intent about come back next year and get more money, it was  
13 just taken away. The Governor approved taking the \$10 million  
14 away from this project. There is no money to build this  
15 project. AIDEA AEA has ignored this Legislative action and has  
16 proceeded with review, design, this whole public process to  
17 design a project they have no money to build.

18 Now, MEA has testified before, commented many times about  
19 why it is we view that this project does us more harm than any  
20 potential good. Nevertheless, MEA has been willing to  
21 cooperate with the Alaska Energy Authority. And in the past  
22 the Alaska Energy Authority has been willing to cooperate with  
23 MEA. What MEA needs to preserve and protect its membership is  
24 a frontage road to this new highway you all want to build to  
25 connect the Alaska Intertie at 230 KV. We need to have a 115

1 KV transmission line built from Willow to Talkeetna. We have  
2 said that for six years. We were very gratified when the  
3 Alaska Energy Authority, AIDEA AEA endorsed that approach by  
4 MEA in full cooperation in 2005 and 2006. Unfortunately in  
5 2007 the Alaska Energy Authority was neutral and in 2008 the  
6 cooperation from the Alaska Energy Authority and AIDEA vanished  
7 and instead the new executive director and the position of  
8 AIDEA AEA was to urge the Governor to veto that hold harmless  
9 appropriation. That's not in cooperation from MEA's point of  
10 view. It is very difficult for MEA to continue to hear from  
11 ML&P and the AIDEA AEA the need to cooperate and collaborate,  
12 when for two years we worked together to solve this problem and  
13 then you get a new person at the Alaska Energy Authority and  
14 you reverse your position and recommend the veto of our hold  
15 harmless appropriation.

16 I'll submit more detailed comments to you all.

17 Over this time MEA has extended this olive branch, and  
18 unfortunately the Alaska Energy Authority responded with a wood  
19 chipper.

20 We are baffled as to why there has never been any proposal  
21 from anyone involved in this project about exactly how it is  
22 the Alaska Energy Authority is going to preserve MEA's existing  
23 access to the Alaska Intertie. Now, I don't blame ML&P for  
24 that and I don't blame Mr. LaRue for that, that isn't your job  
25 as a contractor, ML&P, and it's not your job as a consultant,

1 Mr. LaRue, it is the Alaska Energy Authority's job. This  
2 project should be abandoned and the remaining grant money  
3 released for reappropriation or it needs to be reauthorized for  
4 MEA's customers to be held harmless.

5 Here's an example. Mr. LaRue has pointed out that during  
6 that first 15 poles or so it's too tight for double circuiting  
7 except -- or not putting in a third pole so you have to double  
8 circuit MEA's pole. Well, why is that, why don't you double  
9 circuit CEA's pole, it's already a 230 KV pole. It'd be just  
10 as easy to double circuit that pole for the first 15 poles.  
11 Not even considered by the Alaska Energy Authority. Why is  
12 that?

13 MR. AGI: Is it possibly -- I'm sorry.

14 MR. BABCOCK: I'm just saying, I've never heard why, I  
15 don't know why it has never been discussed. MEA's growth may  
16 well require us to double circuit our own line. And it is  
17 misleading to the public to imply that if MEA were to allow  
18 this particular project at this particular time by the State to  
19 double circuit our existing line or replace our line on a  
20 double circuit then when we do need a double circuit, well,  
21 what, in the future, what has to happen, we have to get a new  
22 transmission and a new easement and put in another transmission  
23 line.

24 Nobody knows at this point, it was a very good point  
25 actually made by Mr. Halter, about what happens if the major

1 generation goes into effect and is constructed in the next few  
2 years. Are we going to have another 230 KV line, are we going  
3 to actually ever use the 345 KV line that was built back in  
4 1985 by the State, a project a little bit ahead of its time.

5       If the State reviews its own -- if AIDEA AEA will review  
6 their own project, the Railbelt Electric Grid Authority, that  
7 big document that Mr. Halter had, it will note that Black and  
8 Veech, their consultant recommends that they consider upgrading  
9 the Alaska Intertie with 220 million or 250 million, some huge  
10 sum for a new transmission line, well, where is that going?  
11 Does that compliment this project? Is that part of this  
12 project? Is it going to follow the railroad down to Pt.  
13 MacKenzie? The Alaska Energy Authority hasn't provided any  
14 answers or insight into what they're contemplating or what the  
15 long-term picture might be and yet, you, not you gentlemen, but  
16 the Alaska Energy Authority expects MEA to compromise its  
17 double circuit ability, compromise its ability to hook up to  
18 the 138 KV system that is currently the Alaska Intertie. No  
19 one is offering anything in writing that you won't covert --  
20 the State won't convert to 230 KV next week as soon as it's  
21 done. Maybe they will, maybe they won't. You've all assured -  
22 - now, you have all assured us in different meetings, oh,  
23 there's no plans to do that, there's not -- that's not in  
24 anybody's agenda to do that, well, then put it in writing, that  
25 you won't be going to 230 KV for the next 20 years. If you

1 don't need it, then put it in writing.

2           Now, it doesn't come any surprise to Matanuska Electric  
3 that the environmental and design consultants that have been  
4 hired to process and design these lines are doing their job.  
5 They're processing this public process, they're designing the  
6 line, they're advocating for this project. It's not their  
7 responsibility to act responsibly regarding the funding source  
8 and whether or not this project is needed by the owner, that's  
9 the Alaska Energy Authority's responsibility. But I would  
10 reiterate, there is no study that proves they need this line.  
11 There is no money to build this line. The Alaska Energy  
12 Authority has never studied our request to be held harmless  
13 from their project. They will not make any written promise to  
14 not convert from 138 KV to 230 KV operation, and they have no  
15 idea how this relates to the proposals being made under their  
16 current study with the Railbelt Electrical Authority.

17           And MEA is particularly disturbed that we have no real  
18 explanation for why this year, AIDEA AEA abandoned their  
19 cooperative effort with MEA and switched positions to now  
20 oppose MEA's effort to be held harmless with our request for  
21 State funding for a 115 KV transmission to be held harmless.  
22 The only answer that we've received so far is "things have  
23 changed." That's not being very open, that's not being very  
24 transparent.

25           I've seen over the 20-some years I've been involved in

1 State government and public projects many State projects funded  
2 and many colossal State failures. The Seward Grain Terminal,  
3 the Delta Barley Project, the wonderful Seafood Processing  
4 Center in Anchorage, and, of course, a 345 KV Alaska Intertie  
5 that never operated as designed.

6 Now, the State is at it again with a project they don't  
7 even have the money to build asking MEA to compromise our  
8 property, our easements, our ability to double circuit,  
9 potentially get cut off even north of Talkeetna. Who is to say  
10 that the railroad won't develop Curry Ridge and the four or  
11 5,000 acres they have there. Or that the South Denali won't  
12 get developed at the end of Petersville Road, we don't know.  
13 We may have to put another subdivision -- subdivision --  
14 substation on the Alaska Intertie. But according to the  
15 documents that the Alaska Energy Authority's passed out it's  
16 going to be operated exclusively as a bulk transmission line,  
17 that does not sound very cooperative or encouraging to MEA that  
18 we will be allowed to tap that line.

19 Ladies and gentlemen, MEA respectfully submits our  
20 comments in opposition to the process, design and project and  
21 asks for you just to slow down and wait to see if the  
22 Legislature's even going to fund this project and also see  
23 whether or not you can make it, communicate with the Railbelt  
24 Electrical Grid Authority and where they're headed. There is  
25 no reason, after six years, that you've got to go, go, go and

1 get this done right now. So please take that message back to  
2 the Alaska Energy Authority.

3 MR. AGI: Before you leave, and I won't encourage a back  
4 and forth.....

5 MS WELLS: Louder.

6 MR. AGI: Before you leave the chair, has there been --  
7 could we share with the people that AEA has put a proposal out  
8 to the board to put together a technical committee to see what  
9 kind of joint decisions we can make in building the project?

10 MR. BABCOCK: Oh, certainly.

11 MR. AGI: Okay, that's all. I just wanted to be able to  
12 share that, that there is a proposal for a cooperative work  
13 effort before the board, placed there by AEA, the end of last  
14 week following the earlier meeting in the week. So I didn't  
15 want to mention that without.....

16 MR. BABCOCK: Sure.

17 MR. AGI: Okay.

18 MR. BABCOCK: And.....

19 MR. AGI: And it may come to something and it may -- there  
20 are a lot of points Mr. Babcock's making that go to history and  
21 other concerns, but that's at least out there. Go ahead, I'm  
22 sorry, Tuckerman.

23 MR. BABCOCK: No, that's all right. And I think just to  
24 respond to somebody, I think it was -- I'm glad someone in the  
25 audience brought up the -- it's a little tough if you want to

1 encourage public participation in your public hearings, to have  
2 all lawyers and consultants and experts just there kind of  
3 pounding every comment they make. I mean that's -- I know  
4 you're trying to elaborate and explain but it's pretty tough on  
5 the public to have that and there's no ability for them to  
6 respond to sort of misinformation, like Mr. Hall's  
7 misinformation about the \$8 million and the 750,000; that's  
8 just not true. And MEA gets 25 percent of Chugach's margin on  
9 their wholesale power costs, and it doesn't sound to me that  
10 750,000 is 25 percent of 8 million, so there's something askew  
11 with those numbers. But that's just an example of how it's  
12 difficult for the public to engage and respond.

13 MR. AGI: And to the group and yourself, our apologies.  
14 We came to this hearing we're trying to figure out how to have  
15 it conducted. There was a thought that we really shouldn't say  
16 anything at all and let people just say their piece. But we're  
17 coming off a history where there was a lot of interaction and  
18 it seemed that it would be too abrupt so we said, okay, we're  
19 going to answer where we can a little bit, correct where we can  
20 but the emphasis was still to be on the witnesses and if, in  
21 the moment of speaking, as happens with attorneys and others,  
22 it seems that they get away with themselves, that's our  
23 apology.

24 MR. BABCOCK: And I fully understand that. At Matanuska  
25 Electric we have that push and pull all the time about whether

1 to engage and ask questions, and whether just to take the  
2 information. But I do appreciate all the public process that  
3 you all have engaged in. I'm glad the Borough approved that  
4 public process, it's a good timeline and program for MEA to  
5 follow in the future when we need to build some transmission  
6 lines. It was rather bumpy the last time we tried to build a  
7 few miles of transmission line. But I think with the Borough's  
8 ordinance and you laying the groundwork here we have a good  
9 process we can follow in the future.

10 MR. AGI: No, thank you, you laid the groundwork for us,  
11 the Borough.

12 MR. BABCOCK: We know what not to do. All right, thank  
13 you.

14 MR. AGI: Thank you very much. Who else do we have the  
15 pleasure of, and if you would provide your name, address and  
16 location.

17 MR. DUQUE: My name's Eddie Duque. I live in Wasilla on  
18 the purple route. I'm not as eloquent as some of these  
19 speakers and I'm not really familiar with a lot of what's going  
20 on. I never received a letter in the mail about what was going  
21 on. My neighbor R.J. told me about it and I'm glad he did.

22 I just wanted to say that on the purple route, which I  
23 live on, in your book here, talks about how -- let me read this  
24 to you, it says that this route is mostly unpopulated densely  
25 forested terrain with wetlands, because of these condition land

1 use conflicts are non-existent with the exception of Section M1  
2 and M2. What I wanted to say about that was on that section of  
3 that purple, which was called West Sunset, there's a lot of  
4 land owners, myself and my family included, who own large  
5 parcels of land. And they own that land parcels of land in  
6 that area because we want to keep it pristine, that's the  
7 reason we're there. And I understand that the powerline goes  
8 through there. Definitely disagree with having double poles in  
9 that area. I mean that would be, one, very ugly; two, it'd be  
10 a safety concern because it's a recreational area. We have  
11 mushing trails there that we're concerned about that many  
12 people in that community use. They use it for snowmachining,  
13 four-wheeling, horseback riding, walking and that's why people  
14 live there, that's why people move to Alaska to live in a place  
15 like that. And to have that come in disturbs what we already  
16 have. And we already have the poles going down the center of  
17 the line. I disagree with the route that it's going. I think  
18 if you go anywhere, go up the Parks Highway. It's already  
19 open, everybody uses that, go that route.

20 That's my two cents.

21 And the other thing that I wanted to know about is if they  
22 did go down that road, are they going to do upgrades to that  
23 road, because that is a dirt road? So.....

24 MR. AGI: And that's a question I guess I can't answer.  
25 If you're asking me are we going to upgrade the road or do any

1 -- we don't know, we're not at that level.

2 MR. DUQUE: Okay.

3 MR. AGI: I mean we normally don't need a lot of access to  
4 build a transmission line.

5 MR. DUQUE: Right.

6 MR. AGI: That particular location I can't tell you.

7 MR. DUQUE: And one of my biggest concerns is the mushing  
8 trail that's designated for that area, which would eliminate it  
9 from what it sounds like.

10 MR. LARUE: So could we ask Mr. Duque -- Lou, is.....

11 MR. AGI: Yep, go ahead.

12 MR. LARUE: Could you give us -- is there a legal  
13 description for your parcel so we know exactly which piece.....

14 MR. DUQUE: Section 29.....

15 MR. RAMSTAD: I can point to them right here.

16 MR. DUQUE: .....quarter -- yeah, R.J., can point for me.

17 MR. RAMSTAD: This is mine, this is his, this is Rick  
18 Grimes and Joan Grimes and this is also Rick and Joan Grimes.

19 MR. DUQUE: And there's some other neighbors that aren't  
20 here right now.

21 MR. RAMSTAD: So we have four right here. And.....

22 MR. LARUE: Kim, do you see a number on those?

23 MR. DUQUE: And Jim -- Jim's area.

24 MR. RAMSTAD: Huh?

25 MR. DUQUE: Jim's area.

1 MS. ROBINSON: Where is this?

2 MR. AGI: Up. Up.

3 MR. DUQUE: Up further up the road before -- or right up  
4 Ptarmigan.

5 MR. RAMSTAD: Right here.

6 MS. ROBINSON: Okay, Kelly Griffin was at one of our  
7 meetings.

8 MR. DUQUE: Yeah.

9 MS. ROBINSON: So where's Mr. Duque's, is it C -- is that  
10 C3?

11 MR. DUQUE: I believe that's it -- it's the next one over,  
12 the next -- that way.

13 MS. ROBINSON: I can't even read that, is it C8, Section  
14 29.

15 MR. DUQUE: I guess that's all I got. I'm new so thanks  
16 for listening.

17 MR. AGI: Thank you.

18 MR. DUQUE: Thank you.

19 MR. AGI: Getting older doesn't help either. We have --  
20 first one, then the other. You're Mr. Grimes?

21 MR. RAMSTAD: I'm sorry?

22 MR. AGI: Your name?

23 MR. RAMSTAD: My name's R.J. Ramstad.

24 MR. AGI: Okay.

25 MR. RAMSTAD: If I could.....

1 MR. AGI: And just for the court reporter, you're going to  
2 have to.....

3 MR. RAMSTAD: Okay, can I go over here and point to this  
4 and.....

5 MR. AGI: Yeah, but also say your address so she knows.

6 MR. RAMSTAD: 10173 West Sunset Avenue.

7 MR. AGI: Okay, yeah, go ahead.

8 MR. RAMSTAD: Yeah, one of my concerns is there's another  
9 fellow that's not here, I believe his name is Mark Salmon, he  
10 has a runway down here where this proposed route goes like  
11 this. And his runway runs just like that, so that would go  
12 right across the runway. Myself and Mr. Grimes, we also half  
13 own on both of our pieces of land, a runway, that runs just  
14 like this, so this proposed route goes right across the runway.  
15 That's a concern for myself as well.

16 I've had it taken off the FAA registry because it's weeds  
17 and stuff growing on it and I don't want to get sued because  
18 somebody lands on the runway and crashes. But to run a line  
19 this way to the north, number 1, would run across any  
20 improvement to my runway or existing runway, or, two, it would  
21 split Mr. Grimes' piece of land in half and he would have to  
22 move a number of structures, I believe, and it would also open  
23 up -- in the wintertime this is kind of a super highway for  
24 snowmachines. And Mr. Grimes has had a problem with people --  
25 this is a burn area. The burn area pretty much stops here, and

1 this is all burned.

2 MR. AGI: Is there a reference you can relate to?

3 MR. RAMSTAD: I'm sorry?

4 MR. AGI: Is there a reference there that you can relate  
5 to when you say this is a burn area?

6 MR. RAMSTAD: It's right at the end of my property. Right  
7 here.....

8 MR. LARUE: Mr. Ramstad, are you referring to the area  
9 burned by the Miller's Reach fire?

10 MR. RAMSTAD: Correct.

11 MR. LARUE: Okay.

12 MR. RAMSTAD: And everything to the west is a burn area,  
13 so it's kind of open and people just kind of ride snowmachines  
14 wherever and he's had people go through his yard and we kind of  
15 learn to live with the traffic that goes through here in the  
16 wintertime. Of course there's a lake here, you can't get  
17 across this lake in the summertime, right now there's no  
18 traffic because you can't, you can't ride a four-wheeler across  
19 the lake. In the wintertime it's kind of an acceptable evil.  
20 But you run this line straight to the north it'll be a free for  
21 all. People coming down from Hollywood.

22 That's my main concerns and like Ed was saying, we're kind  
23 of curious about how you're going to -- what you're going to do  
24 with the road.

25 That's about all I've got. I just would like to, after

1 this whole thing is over, find out where I can get more  
2 information on who makes the decision, when it's going to be  
3 made, when it's going to be finalized, what time of the year  
4 you're going to do this.

5 MR. AGI: I said earlier that we're hoping and we're  
6 committing ourselves to make a decision by December 1, if not  
7 earlier. The decision itself will consist of a recommendation  
8 to the State by the contractor and consultants as to what the  
9 recommended route and design should be and if you still have  
10 problems, or for those that do, there'll be a short period of  
11 time and we'll let you know about it, that you can let the  
12 Authority, AEA, know what is or isn't desirable in that routing  
13 to you.

14 MR. RAMSTAD: Yeah. I'd also like to add that I would  
15 appreciate it if you could let the parties, you know, the  
16 people along this existing line, get them notified. I was  
17 notified and I gave my copy of this to Ed a few days ago and I  
18 don't know, Rick, did you ever get one of these in the mail?

19 MR. GRIMES: A couple days ago.

20 MR. RAMSTAD: Yeah.

21 MR. AGI: That's the newsletter?

22 MR. GRIMES: Yeah, and that's the first we heard about it.

23 MR. DUQUE: And I never even got one.

24 MR. RAMSTAD: Yeah, and I mean he adjoins me and we adjoin  
25 the existing line. But there are many other questions

1 pertaining to the actual construction of what you guys are  
2 going to do, what they're going to do with the existing line,  
3 you know, how much wider it's going to be, you know.....

4 MR. AGI: Yeah, those are things that we're talking.....

5 MR. RAMSTAD: .....I don't want to sit here and chew up a  
6 whole bunch of time.

7 MR. AGI: No, you've asked the questions that others have  
8 made the point, a particular protest about, so.....

9 MR. RAMSTAD: Yeah. I mean.....

10 MR. AGI: .....those will all be addressed in whatever we  
11 come up with.

12 MR. RAMSTAD: All right. Well, afterwards I'd like to get  
13 some phone numbers and stuff so I can chew ass in person.

14 (Laughter)

15 MR. AGI: Over the phone, all right.

16 MR. RAMSTAD: Wherever I can find you.

17 MR. AGI: We got that big guy, Mike Travis.

18 (Laughter)

19 MR. AGI: Good stuff.

20 MR. MCLARNON: My name is Paul McLarnon. I live in close  
21 proximity to the -- in Willow. I'm at Box -- P.O. Box 1143  
22 Willow, off of Rocky Drive.

23 I guess -- I don't know where to begin. I guess, I mean  
24 the first thing I looked through this report and I see at the  
25 very end that, you know, based upon the findings of the report,

1 that either the MEA upgrade option or the MEA parallel route  
2 would fulfill the purpose and need of the project. And then  
3 when I went back and looked at cost, it looked to me that the  
4 upgrade option number 1 would either be \$1.3 million more than  
5 the parallel route so when we're looking at a 14 to \$15 million  
6 project, a fairly small amount, and I guess, you know, it's the  
7 State of Alaska that's paying for this, not ML&P, and I'm not  
8 sure about MEA. But I would like you and AEA, in particular,  
9 when the decision comes down to decide what to do to consider  
10 the opportunity costs here. I mean it's my understanding that  
11 the existing MEA line needs some upgrades, there's large sags  
12 in the line and you have this project, it's going to mobilize  
13 people, equipment other infrastructure to go out and spend \$14  
14 million and then 10 years from now the State of Alaska, or all  
15 of us are going to have to pay another \$14 million to fix the  
16 MEA lines. So my point is let's get it right and when we got  
17 equipment and people there, I would ask the MEA please consider  
18 that, if we don't fix it now we're going to pay twice as much  
19 later.

20 And I guess for the record I'd like to say that I would  
21 support a single pole with both utilities of MEA and ML&P  
22 hanging off a single pole and I would not support a parallel  
23 pole route.

24 So thank you.

25 MR. AGI: The seat is yours.

1 MS. MOORE: Thank you. My name is April Moore and I'm  
2 running for State House in District 15 which encompasses all of  
3 this area. And first of all I'd like to thank you for coming  
4 out today. I have been to several of the other meetings and I  
5 must say that I reflect what I've heard some of the other  
6 people saying that, number 1, all of the property owners were  
7 not notified. I personally -- I live in Trapper Creek, I'll  
8 give you my address, it's 828 -- 28545 South Bradley Road,  
9 which is actually an imaginary address. It was assigned. It's  
10 kind of like this line, it's something that's conceptual and so  
11 you have it on the record, that's where I live. Actually I  
12 live on a homestead, and I don't have electricity, so I,  
13 unfortunately, cannot stand in MEA's court as a ratepayer but I  
14 have to say that the people in my area, I feel, have been  
15 disenfranchised to some extent because there are concerns that  
16 MEA has that I've been made aware of that reflect what we need  
17 to be considering for the people up in the Trapper Creek and  
18 the Talkeetna areas and I'd like to know more about that. But  
19 basically I have to say that I would like to, like many of  
20 these other people, I would like to see this slowed down just a  
21 bit. I think that if you push it to the point where these  
22 people are not feeling like their concerns are being met, then  
23 you're going to have more problems on your hands than you do  
24 right now. And I'll guarantee you, you know, Willow and  
25 Houston are avidly vocal, but you haven't heard anything until

1 you get a hold of Trapper Creek and Talkeetna and those people  
2 up there will certainly make their voices heard as well if, in  
3 fact, MEA's needs are not met and anyone has their power  
4 interrupted.

5 So I would just caution you to please slow it down just a  
6 little bit, take these people's, you know, viewpoints. I have  
7 to say that I would be more in favor of the single line myself,  
8 that seems to be a wise way to go. But, you know, I also hear  
9 MEA's concern and I think that MEA needs to be negotiated with  
10 and in a good faith effort.

11 Thank you very much.

12 MR. LARUE: Folks. Going once. Ah, come up sir.

13 MR. LINDAU: My name's Jim Lindau and I live on Sunset.

14 And my property will be impacted.....

15 MR. AGI: Could you give a mailing address?

16 MR. LINDAU: 89 -- my mailing address?

17 MR. AGI: Residence.

18 MR. LINDAU: Residence is 8958 Sunset. I don't get mail  
19 there.

20 MR. AGI: Oh.

21 MR. LINDAU: Nobody gets mail there.

22 MR. AGI: Is that an imaginary -- okay.

23 MR. LINDAU: Just a couple things, I just want to go on  
24 record that I think this is a really bad idea. I have five  
25 acres there and you're going to take a huge chunk of my

1 property and probably take any opportunity I have at  
2 subdividing it ever, which is a huge financial loss for me.  
3 Not to mention any other impacts that have already been  
4 mentioned about recreational opportunities and just the quality  
5 of life looking at these poles. And I just want to say that  
6 that slide show you did does not represent the poles that are  
7 there and it's misleading when you imply that -- if you drive  
8 down Sunset those poles don't look anything like what you  
9 showed on your slide and you implied that it would be a minimal  
10 change and it's not, okay. The poles that are there look like  
11 telephone poles, okay, they don't look anything at all like  
12 what you showed in your slide.

13 MR. LARUE: Well, I believe the last slide, the conceptual  
14 I showed you leaving Teeland Substation showed a wooden pole  
15 there, as the existing facility, right?

16 MR. LINDAU: I'm talking about further up Sunset. You're  
17 talking about.....

18 MR. LARUE: Those are wooden poles as well, Sunset.....

19 MR. LINDAU: Yeah.

20 MR. LARUE: .....they're wooden poles with post  
21 insulators, yes.

22 MR. LINDAU: Yes. Okay, but you implied that what -- you  
23 showed an X one and then one slightly bigger and wider that  
24 would replace it and that's not the case.

25 MR. LARUE: But I understand and what I tried to say was

1 that most of the line, starting at Hollywood Road there is the  
2 X towers, from there north. So the 25 miles, there's something  
3 unique in that first section coming out of Teeland.

4 MR. LINDAU: Okay. Well, that's another impact that would  
5 be because we would get the X poles then; is that right?

6 MR. LARUE: No. There's no room to put the X towers down  
7 Sunset.

8 MR. LINDAU: Anywhere down Sunset?

9 MR. LARUE: No.

10 MR. LINDAU: So what would we get then?

11 MR. LARUE: How far do you want to get into this?

12 MR. LINDAU: We need to know, well, yeah, here we are.

13 MR. LARUE: Okay, the existing MEA line goes out Teeland  
14 Substation, goes to this corner and then comes up at Sunset,  
15 runs down here, it's the purple line, okay. What I talked  
16 about was this first section right here, okay, see this.

17 MR. HALL: Del, why don't you use the larger blow up we  
18 have for that first section, the one by Kim, right there by  
19 Kim, it's a little easier to see.

20 MR. LARUE: Well, it's not going to show what I want to  
21 show.

22 MR. HALL: Oh, okay.

23 MR. LARUE: Okay. Once again this is the existing MEA  
24 line, what I showed, this first stretch right through here  
25 where Chugach's 230 KV line is right along here, turns and goes

1 south, okay, that piece right there has to be unique because I  
2 have the Chugach line, the MEA wood pole line, and it's only  
3 from there to there. The route that we believe makes the most  
4 sense is to follow Chugach's line right down to here and then  
5 turn the corner. There's no room on Sunset Boulevard for an X  
6 tower, okay. So once again you have to think of this as a 25  
7 mile line, okay, from here to here, and we're talking about  
8 this is a little bit different. So how do we present, I'm  
9 presenting it for most of the line, okay. From this corner up,  
10 we're talking about two X towers, a tower beside of it, or one  
11 tower, depending on what comes out of it, and that goes from  
12 right here to there. This piece right here is different, okay.  
13 There's no room on Sunset to build an X tower for a single.....

14 MR. LINDAU: So how many feet and what side of the road  
15 would you take?

16 MR. LARUE: Once again I believe what will come out of  
17 this is the route will go this way, right down through here  
18 following Chugach's line, hit the corner and go up, it will not  
19 turn the corner as MEA's line does. But once again we're  
20 starting to get into the details here, okay, I understand  
21 they're important but it's a 25 mile line and so we  
22 characterized it as if it is a line beside MEA's existing.....

23 MR. LINDAU: So that's -- so you're saying.....

24 MR. LARUE: .....so.....

25 MR. LINDAU: .....that's what you're going to recommend on

1 your December.....

2 MR. LARUE: I'm not to December, yet, okay. I can tell  
3 you there is not room to put another tower line on Sunset.

4 MR. LINDAU: There's more to know than your information  
5 indicates.

6 MR. LARUE: You're talking about in the report?

7 MR. LINDAU: Yeah.

8 MR. LARUE: Okay, that was done in 2003, published early  
9 2004, and there's been developments since then, I understand  
10 that.

11 MR. LINDAU: Okay, well, thank you for your time.

12 MR. LARUE: Does that help?

13 MR. AGI: Ladies and gentlemen, anybody else care to  
14 educate us?

15 (No response)

16 MR. AGI: All right. Hearing no more requests to present  
17 testimony, we're going to bring this hearing to a close. The  
18 time is, what, 7:45. Thank you very much for your patience, we  
19 appreciate the input.

20 (Off record)

21 (END OF PROCEEDINGS)

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C E R T I F I C A T E

UNITED STATES OF AMERICA)

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STATE OF ALASKA )

I, Joseph P. Kolasinski, Notary Public in and for the state of Alaska, and reporter for Computer Matrix Court Reporters, LLC, do hereby certify:

THAT the foregoing Public Hearing was electronically recorded by Computer Matrix Court Reporters on the 6th day of August 2008, in Wasilla, Alaska;

That this hearing was recorded electronically and thereafter transcribed under my direction and reduced to print;

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 11th day of August 2008.

\_\_\_\_\_

Joseph P. Kolasinski  
Notary Public in and for Alaska  
My Commission Expires: 03/12/12